This record is a partial extract of the original cable. The full text of the original cable is not available.

C O N F I D E N T I A L SECTION 01 OF 03 NEW DELHI 007197

SIPDIS

E.O. 12958: DECL: 09/15/2015
TAGS: PREL ETRD EINV EAID KDEM KNNP PHUM IN UK EU IR GM NSSP
SUBJECT: BLAIR SUPPORTS INDIA CIVIL NUCLEAR COOPERATION AND
SQUEEZES ON IRAN, BUT THE BIG NEWS IS POSITIVE CHEMISTRY

REF: A. NEW DELHI 6994 \*B. NEW DELHI 7028

Classified By: A/DCM Geoffrey Pyatt, for Reasons 1.4 (B, D)

11. (C) Summary: In a briefing on the September 7-8 India-EU Summit, British High Commissioner Sir Michael Arthur emphasized the UK's support for civil nuclear cooperation with India, the success of the UK's effort to play up its European personality during this visit, and the excellent personal chemistry between PM Blair and Singh. Despite a long and difficult negotiation process, Sir Michael praised the EU's 21-page Joint Action Plan (JAP), with particular attention to the sections on energy and the environment. The High Commissioner also summarized EU pressure on India to toughen its policy on Iran. The UK will devote the rest of its EU presidency to carrying out its commitments with India on the JAP. In this regard, the UK and EU are trying to catch-up to the US. End Summary.

UK Plays Catch-up on Nuclear Cooperation

12. (C) The UK announced support for greater civilian nuclear cooperation with India at the summit and are beginning to look at "next steps." The British expect a meeting of the P3 with the US and France in November to coordinate a collective way forward. British Foreign Policy Advisor to the PM Sir Nigel Sheinwald has formally invited Chairman of the Indian Atomic Energy Commission Anil Kakodkar to London to "break the ice" with British atomic energy counterparts, but the Indians have not yet responded. When PM Blair called on President Kalam, the former rocket scientist discussed Indian ambitions to operate thorium-based fast breeder nuclear power reactors within ten to fifteen years. Sir Michael commented that this is ten years earlier than the UK had heard previously.

India Must Take a Stand on Iran

13. (C) The British have been putting pressure on the GOI to take a stand on Iran's nuclear program while assuring the Indians they are not looking for immediate UN sanctions. FS Straw briefed FM Natwar Singh on the British position, to which Singh gave a "flimsy response" that India does not want confrontation at the UNSC level over Iran. When Germany's point-person on Iran nuclear negotiations Michael Schaefer spoke with Indian MEA Additional Secretary for International Security Meera Shankar, the Brits told us her only response was "we hear what you're saying." Shankar indicated that she was waiting for a Non-Alligned Movement opinion in order to proceed, to which Schaefer emphasized that the EU-3 were looking for Indian leadership to bring the NAM around to the right view.

Blair and Singh Cozy Up in Udaipur

14. (C) Sir Michael characterized the good chemistry between Prime Ministers Blair and Singh as the "single most important thing of the day," placing the Singh-Blair dynamic on par with the British PM's closest international relationships. Leading up to the summit, the UK had a "bloody impossible" time negotiating between various EU and Indian bureaucracies. Sir Michael stressed that the Indians, who view the EU as an economic actor, were "falling over backwards" to separate the UK and Europe; although the UK was representing the entire EU, the High Commissioner stressed that the European body as a whole needs to develop a closer relationship with the Indians. After entertaining fifty European CEOs during the India-EU Summit (Ref B), the second day bilateral meetings gave the GOI time for intimate discussions with top British leaders amidst the picturesque Rajastani backdrops in Udaipur. Sir Michael noted that Blair and Singh had an hour and a half of one-on-one "high quality discussions," during which he intentionally kept Natwar Singh occupied so that Blair and PM Singh could talk alone without the Indian Foreign Minister crowding out the discussion. The two spoke for another hour and a half at a larger lunch meeting which included Natwar Singh and NSA Narayanan.

UK and India Agree on Regional Issues

- 16. (C) During their plenary conversations, Blair and Singh touched on assessments of Pakistan, Bangladesh, and Nepal, but avoided Iran. Sir Michael commented that a "carefully balanced discussion" on Pakistan reassured Blair that Singh was "prepared to think like a leader" on improving ties with Islamabad. Singh stressed that a reduction in terrorism is the absolute precondition for progress and did not preview any future steps, but Blair was impressed with the Indian PM's "positive views" on the subject and shared his experiences working with Northern Ireland. Noting similarities, Blair explained how he worked to keep the Irish peace process moving forward even under intense pressure.
- 17. (C) On Bangladesh, the Prime Ministers had similar analyses of the problem and agreed to a more systematic exchange of information. Singh stressed that Bangladesh is causing migration and economic problems for India. Sir Michael was surprised at a tacit Indian recognition that "they aren't always the easiest to work with" on Bangladesh. While GOI leadership is united over the eastern neighbor, the Indians admitted to an internal debate over how to confront Nepal, with NSA Narayanan confessing that he and FS Saran have "different views."

## Joint Action Plan and EU Assistance

18. (C) The British High Commissioner told us that the UK will use the remainder of its EU Presidency to make sure that the Joint Action Plan (JAP) is implemented, noting the risk with the EU is that such declarations end up being "just words." He emphasized the energy and environment sections of the JAP as the "most substantial" (Ref A). Other EU priorities include anti-terrorism cooperation and increasing development assistance, which comes in response to the GOI's late July request for a substantial new European development assistance initiative.

## Economics Most Important to EU

19. (C) From the European point of view, Sir Michael argued that economics and business are India's biggest advantages (Ref B). With the presence of fifty top CEOs, the summit had a strongly economic flavor. In a remarkable role reversal, India has also emerged as one of the UK's largest foreign investors. Still, the High Commissioner worried that the PM has not set up the necessary infrastructure within his own office, such as the "special cells" he created on political and nuclear issues, to push through economic reform.

## Comment: High on Chemistry, Low on Substance

- 110. (C) Comment: The Brits got the symbolism of this visit just right -- a widely circulated photo of Cherie Blair meeting kids at a AIDS hospice helped add a note of seriousness to images of Blair and Singh back slapping amid Rajastani castles. The excitement over the July 18th US-India joint statement upped the stakes for the India-EU Summit, and the recent British and French meetings have echoed many of our major accomplishments, to include the revival of nuclear scientific contacts and the commitment to full civil nuclear cooperation. The British had a harder time because they had to trudge through the massive EU bureaucracy and contend with their unique colonial history. After Singh indicated that Europe is no longer the preferred destination for work or business, the Brits were left playing catch-up and scored several notable successes, to include the GOI commitment to fund a Nehru chair at Cambridge University. In this regard, India's relationship with the US is shaping and modernizing its relationship with Europe. End comment.
- 111. (U) Visit New Delhi's Classified Website: (http://www.state.sgov/p/sa/newdelhi)
  PYATT